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Toward A New World Order

BY VERA MICHELES DEAN

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The Foreign Policy Association dedicates this Report to the memory of Mildred S. Wertheimer, a member of the Research Department from 1924 until her death in 1937. Dr. Wertheimer's interest in problems of European reconstruction began with her service as a member of the International Law Division of the Commission of Inquiry organized by Colonel House in preparation for the Paris Peace Conference in 1919. Her interest continued throughout her career with the Foreign Policy Association, and Dr. Wertheimer's most significant contributions were made in this field of international relations.

DEFINING THE TASK. The wars now raging in Europe, Africa and Asia are already shaping the future peace. No one can foretell when these wars will come to an end—when a new armistice will usher in a period of peace which may prove merely an interval between wars, or offer an opportunity for far-sighted reconstruction. Even if the wars of the twentieth century, like those of the sixteenth, are destined to last for decades punctuated by brief moments of uneasy truce, the human mind is loath to accept war as a permanent state of existence. To an extent unprecedented in history, men and women throughout the world question the past, present and future. Everywhere they seek courage to face the horrors of today by discussing the reforms they may be free to effect tomorrow. The search for a new order that might emerge from the existing disorder reveals profound dissatisfaction with the conditions created by the first World War. It also reveals an undying hope that human intelligence may yet succeed in solving by peaceful means the problems of relations between men and between nations.

The extent to which the men and women of today, however, can retain a sense of perspective toward the future peace depends on the course of the war. If destructive operations by both groups of belligerents increase demands for retaliation, and the war develops into a contest of mutual annihilation, the spirit of revenge may blur the most generous peace aims and jeopardize rational discussion of post-war reconstruction. It is natural that belligerents should regard successful prosecution of the war as their one and only war aim.¹ It is also true, as Prime Minister Churchill has said, that it is impossible "to forecast the form

or character of the victory, still less what the situation in Europe, and indeed in the world, or what the mood in the minds of men may be when victory is won."² Nor is it practicable for any of the belligerents to draw up a detailed blue print of the world order they intend to build at the end of the war. But to argue that discussion of peace aims has no place in wartime, and must be postponed until the "cease fire!" has sounded, is to foster among belligerents and neutrals alike a mental unpreparedness for peace, potentially as dangerous as the mental unpreparedness for war which paralyzed the Western powers after 1933. Definition of peace aims is an essential part of military strategy. Even if the tide of battle should eventually turn against Germany, the German people—many of whom agree with Hitler's thesis that they were inveigled into surrender in 1918 by President Wilson's Fourteen Points—may be expected to fight on to the bitter end, because they fear that, in case of defeat, their country might be partitioned or reduced to a position of economic inferiority.³ If Britain and the United States want to win the German people away from National Socialism—whose philosophy and methods are repugnant to many Germans—they must do more than deliver speeches about international cooperation or list paper promises. They must demonstrate, by concrete actions in time of war, that they sincerely plan to undertake thoroughgoing reconstruction in time of peace.

It seems appropriate, therefore, to summarize at this time some of the major tasks that confront the makers of a future peace, as well as some of the principal plans that have been formulated in Britain, the United States and Germany regarding

1. Broadcast of Prime Minister Neville Chamberlain, November 26, 1939, *The New York Times*, November 27, 1939; address of Prime Minister Winston Churchill, March 27, 1941, *ibid.*, March 28, 1941.

2. Address of March 27, 1941, cited.

3. Hans Simons, "Coordinating War and Peace Efforts," *Christianity and Crisis*, May 5, 1941, p. 3.

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ways and means of fulfilling these tasks. The present report is exploratory in nature. It is intended to prepare the ground for detailed studies of specific problems that the FOREIGN POLICY ASSOCIATION expects to publish in the future, in the hope that they may prove of use both to the American public, and to any official group similar to the House Commission of Inquiry in 1919 which might be appointed by the United States to prepare material for a peace conference.

PHILOSOPHY OF PEACE AIMS

In any discussion of post-war plans, it is increasingly important to bear in mind that what is spoken of as peace aims⁴ is not this or that program of territorial, economic or financial measures, but a general concept of the kind of international society that might be developed upon cessation of hostilities. Without such a general concept of the objectives to be sought at a peace conference, no catalogue of peace aims, however comprehensive or elaborate, would possess the universal appeal that alone could insure its practical realization and continued effectiveness.

In essence, any statement of peace aims represents the philosophy that may be expected to guide the actions of the belligerents who proclaim it once the conflict is over. Even if the second world war be viewed solely as a struggle for strategic bases, markets and raw materials—as it is by many—it must be recognized that this conflict will determine the political, social and economic shape of the world, in accordance with the general philosophy of life formulated or practiced by the victor. All statements of peace aims or “new orders” must therefore be considered not in the vacuum of theoretical discussions, but with constant reference to what the Germans call *Weltanschauung* (world outlook) of the various belligerents, and the concrete measures they have already taken or promised to take concerning realization of their outlook.

Discussions of the post-war order in all belligerent countries lead to certain general conclusions which may have a determining influence on public opinion toward problems of reconstruction. There is a growing measure of agreement that the war is a contest between two philosophies of life, one of which must triumph; that it is neither possible nor desirable to restore the *status quo* of 1939; that the will to act is more important than any documents; and that it will be humanly impossible to achieve a just and eternal peace.

4. For official statements of war and peace aims from September 1, 1939 to August 31, 1940, see *Official Statements of War and Peace Aims: I. European Belligerents* (Geneva, Geneva Research Centre, December 1940).

CONTEST BETWEEN NEW ORDERS. At the outbreak of war in 1939, it was usually assumed by those who discussed peace aims in Britain and the United States that, ultimately, a peace settlement would be imposed by the victorious Allies on a prostrate Germany. This peace settlement, it was thought, would need to do nothing more than correct the admitted imperfections of the 1919 peace treaties and the League Covenant, and would be modeled on Anglo-Saxon democratic institutions. Few among British and American planners had considered the possibility that other powers might also undertake the task of world reconstruction, but on lines radically different from those contemplated in Britain and the United States. This “provincialism” was due to the general tendency of British and American planners to look at the world primarily through liberal-democratic eyes, and to their supreme confidence in the military and economic superiority of the Western powers. Yet Hitler had already proclaimed his plans for a “new order” in Europe and Africa, to be linked with a “new order” established by Japan in Asia; and German victories on the European continent had already given some indication of the concrete measures by which the Nazis hope to effect their “new order.” Meanwhile, the Soviet government, since its establishment in 1917, had been advancing plans for union of all workers, irrespective of nationality, in a world-wide Union of Soviet Socialist Republics.

It is now becoming clear to many Britishers and Americans that the present struggle is a struggle to determine not only who will win the war, but also who will shape the peace—and that its outcome can by no means be taken for granted. Both groups of belligerents believe that their philosophies of post-war reconstruction are incompatible—that one must triumph, while the other is destroyed. Hitler has said: “Those are two worlds, and I believe one of these worlds must crack up.”⁵ President Roosevelt, heading a government that is still nonbelligerent, has declared: “We know now that a nation can have peace with the Nazis only at the price of total surrender.”⁶

Yet, in considering the future, it must be recognized that not all the developments of the past decade—repugnant as they may seem to public opinion in Britain and the United States—can be obliterated once war is over. The peace settlement may not, and perhaps should not, embody solely the concepts of the victors, even if the preponderance of military force should, by the end of the conflict, clearly rest with one side or the

5. Address to German arms workers, December 10, 1940. *The New York Times*, December 11, 1940.

6. Fireside Chat, December 29, 1940, *ibid.*, December 30, 1940.

other. To admit this is in no way to weaken the belief of the forces opposing Nazi philosophy and methods that only a military defeat of Germany, or at least a stalemate which would prevent outright German victory, would permit the kind of post-war reconstruction envisaged in British and American plans, as well as in the plans of Europeans who resist German domination.

STATUS QUO PEACE AIMS NOT ENOUGH. After two years of war, public opinion in Britain and the United States begins to understand that it will not be enough for the Western powers to proclaim their intention to restore the *status quo* of 1939. To do so would be to seek protection behind an ideological Maginot Line.⁷ In planning for peace, as in planning for war, the British and Americans are discovering that defensive strategy may spell victory for the opponent, not because of his inherent superiority, but through their own default. The chief weakness of Anglo-American peace proposals has been their assumption that it will be possible to resume "business as usual" after the war, with a minimum of change and sacrifice of accepted values. Today the British, and to a lesser extent the Americans who have not yet been touched by war, are learning that in any future peace settlement they will, if victorious, have to take into consideration the views of other countries, including those which, rightly or wrongly, professed dissatisfaction with the pre-war *status quo*; and will have to take cognizance of the revolutionary changes now sweeping the world.

The choice confronting us today is not between Hitler's totalitarian "new order" and return to the disorder, superficially tempered by the League of Nations, that existed in August 1939. Too many things have happened, too many systems have been crushed, too many leaders and ideas have been discredited to permit integral restoration of the political and economic patterns that existed before the second world war. The choice today is between Hitler's "new order" and some kind of a "newer order" that Britain, with the aid of the British Dominions, the United States, China, and the conquered peoples of Europe might be able to offer as a concrete alternative to Hitler's plans. That choice exists only as long as Britain continues to resist. Should Britain be defeated, Europe, and perhaps the rest of the world, would have no choice but to accept Hitler's blue print of the post-war order.⁸

WILL TO ACT MORE IMPORTANT THAN DOCUMENTS. The realization is also growing in Britain, and to

a lesser extent in the United States—where greater reliance is placed on written documents, whether treaties or constitutions—that it will not be enough to draw up at the end of the war a new covenant for an international organization, whatever its shape or scope, unless the will exists to implement such a covenant by practical measures. It is admitted that the organic growth of international institutions (a concept familiar to the British Commonwealth of Nations) may prove far more important than this or that article of any given document, which might remain a dead letter for lack of will to apply it, as so frequently happened in the case of the most important articles of the League Covenant.⁹

The point also cannot be overstressed in the United States, where public opinion tends to seek quick and final "solutions" of various problems, that relations between nations are in the last analysis relations between human beings transposed to the international plane, and are no more susceptible of permanent "solution" than relations between capital and labor, or between the individual and the state. If American opinion is not to recoil from the realities of international politics and again seek escape in isolationism, it must be prepared to face the fact that a peace settlement, at best, represents a series of compromises between conflicting claims and divergent points of view; and that no compromise achieved at the end of the war can be eternal or unassailably just.

PEACE—TO DO WHAT? Among the criticisms made of the Versailles settlement is that it was primarily a political settlement, which did not pay sufficient heed to economic problems. This view has caused many British and American planners during the past twenty years to minimize political issues and boundary controversies, and to emphasize the need for economic reconstruction as the basis of a "just and durable" peace. Yet, whether the next peace settlement is determined primarily by political or economic considerations, or a fusion of both, two questions must still be asked: for what ends are political and economic plans being made?; in whose interest are they being devised? For many peace proposals give the impression of being drafted in a vacuum, with painstaking concern for legal and diplomatic niceties, but with little or no reference to the realities of life, and least of all

7. "The Mood of Progress," *The Economist* (London), October 26, 1940, p. 509.

8. Paul Birdsall, *Versailles Twenty Years After* (New York, Reynal and Hitchcock, 1941), p. 307.

9. Viscount Cecil (Lord Robert Cecil), *The Great Experiment* (New York, Oxford University Press, 1941); Henry M. Wriston, *Prepare for Peace!* (New York, Harpers, 1941). Viscount Cecil says: "No machinery can do more than facilitate the action of the peoples. Unless they and their governments really put the enforcement of the law and the maintenance of peace as the first and greatest of national interests, no confederation or federation can compel them to do so." *The Great Experiment*, cited, p. 351.

to the human beings who should be the first concern of any peacemakers.

In this exploratory report it would be impossible to mention all the problems that might be raised in connection with a peace settlement. But in approaching the task of post-war reconstruction, the peacemakers will have to bear certain basic considerations in mind. Among these are the effects of industrialization on democracy and international relations; the difficulty and perhaps impossibility of restoring "free enterprise" at the close of the war; the necessity of combining cultural national self-determination with some form of political and economic integration; the need for developing a new concept of relations between industrially advanced and industrially backward areas; and the desire of peoples everywhere to achieve a minimum of material comfort and security in the post-war world.

EFFECTS OF INDUSTRIALIZATION ON DEMOCRACY

It must be recognized by planners of a post-war order that many of the problems with which the world is confronted today are due not to "nazism" or "communism" as such, but to the fact that the Industrial Revolution is now reaching some of its logical conclusions. The process of industrialization has immensely increased the material advantages available to mankind. But it has simultaneously sharpened the desire of widening sections of the world's population that these material advantages be made available to all—not merely to an economic élite within national or international society. This desire has led to a mounting demand for redistribution of wealth both within nations and among nations.

The process of industrialization has also fostered the formation of larger and still larger economic units, strengthening the trend toward mass production and distribution. It has simultaneously reduced the significance of the individual producer—farmer, artisan, handicraftsman; and increased the influence of mass organizations of both labor and capital, each demanding recognition of its rights and privileges, and often enjoying concentrated authority tantamount to a monopoly of special power at the expense of society as a whole.

The growing influence of mass organizations, in turn, is straining the resourcefulness of democratic institutions. These institutions had developed in such a way that, while all individuals were equally entitled to political power, economic power rested largely in the hands of traders, manufacturers and bankers who in the eighteenth and nineteenth centuries overthrew the rule of absolute monarchs,

the aristocracy and the Church. This group believed that government should interfere as little as possible with the freedom of economic enterprise. There existed thus, in democracy, a fundamental contradiction between the theory of political equality and the practice of economic inequality. This contradiction was present both within nations and among nations—for it is obvious that the political equality theoretically enjoyed by members of the League of Nations, to give one example, did not assure Ethiopia economic (and hence military and political) equality with Italy, or Italy with Britain.

Today democracy is confronted with a new shift in social forces—a shift in which industrial and white-collar workers, not satisfied with equal political rights, demand an increasing share of economic—and hence political—power. In the midst of national and international crises, democratic governments are also faced with the necessity of exercising a much greater measure of authority than had previously seemed consonant with democratic practices. Meanwhile, as a result of industrialization, national production and distribution have overflowed national boundaries, in search of markets and sources of raw materials in other countries, on other continents. Yet the obsolete political framework of international society has not proved sufficiently elastic to adjust itself to the internationalization of trade and communications. Today this framework is being belatedly sundered by economic and social forces that the Industrial Revolution has released.

By reducing the individual to the rôle of a cog in a vast industrial machine, industrialization tends to undermine the spiritual significance of the individual, whom governments, too, begin to regard as a mere cog in the political machine. At the same time, large-scale and long-continued unemployment in industry and other enterprises shakes such confidence as the individual may still have in his own capacities and in the economic system under which he lives. And meanwhile urbanization, itself an outgrowth of industrialization, destroys the sense of community responsibility and cooperation that existed in rural society, and that might in some measure restore stability to the individual. These various factors combine to create despair and defeatism among masses of men and women who feel caught in a vise not of their own making, and abandon all hope of controlling the apparently vast and obscure forces—comparable in their minds to forces of nature—which dominate and often shatter their lives.

Out of such despair and defeatism grow movements like nazism and communism. Both appeal

to the desire of human beings for some modicum of material security, now that the sense of spiritual security created by religious faith and submission to established authority has been lost or weakened. Both movements promise them freedom from responsibility, which is to be assumed by a self-appointed élite—a “master class” or a “master race.” In contrast to the ideas popularized by the French Revolution, which proclaimed the liberty, equality and fraternity of all men and, by inference, of all national groups, the Nazi revolution is based on belief in the permanent inequality and subjection of all men and nations, except the Germans; while the Communist revolution, although international in its ultimate objectives, is based on belief that the “proletariat” alone is worthy to exercise power. The totalitarian system, in most striking fashion, accepts the economic and social results of the Industrial Revolution at their face value, and seeks to translate them into political terms by duplicating, in the realm of politics, the de-personalization of the individual effected by industrialization. Where democracy, so far, has proved open to the criticisms of both its friends and its enemies, is that it has been slow to make changes in its political institutions corresponding to the economic and social changes wrought by the Industrial Revolution.

A NEW SOCIAL ORDER

Thus in considering the problems of post-war reconstruction, the peacemakers will have to recognize the revolutionary effects industrialization has had, and may continue to have, on the institutions of democracy and on relations between nations—barring, of course, the remote possibility of world-wide de-industrialization and return to a primarily agricultural society. The peacemakers will be faced with a double task: the task of reconstructing democracy within nations, and the task of making this reconstructed democracy work in relations between nations. The two tasks are closely interwoven. Neither can be undertaken or accomplished alone.¹⁰

The call for a new social order is being sounded on all sides. Chancellor Hitler has repeatedly contrasted the future order to be built by the Germans—where “birth matters nothing, achievement means everything”—with that of the “plutodemocracies” and their “fight for egoism, for capital, for individual and family privileges.”¹¹ Lord Halifax,

10. “The need is not for any premature re-ordering of the structure of Europe, but for a deliberate attempt to ensure that the weaknesses which the war has uncovered in our own structure shall be permanently repaired.” “The Mood of Progress,” *The Economist*, October 26, 1940, cited.

11. Address to German arms workers, December 10, 1940, cited.

British Ambassador to the United States, has said that the post-war order must realize “the social principle of individual liberty” in two ways: “in the sphere of politics through equal opportunity, justice and the rule of law; and economically, through the direction of national effort to the creation of conditions that may bring some real security into the daily life of our humblest citizen.”¹² Pope Pius XII, in his plea for a just peace on December 25, 1940, urged “progressive action, balanced by corresponding degrees to arrive at arrangements which would give to every state the medium necessary for insuring the proper standard of living for its own citizens of every rank,”¹³ and has decried “cold egoism” in relations between men and nations. President Roosevelt, in defining the “four essential human freedoms” on which the post-war world should be founded, mentioned “freedom from want—which, translated into world terms; means economic understandings which will secure to every nation a healthy peacetime life for its inhabitants—everywhere in the world.”¹⁴

Realizing this world-wide preoccupation with human welfare, and admitting the failure of the democracies so far to assure employment and a minimum standard of living to their citizens, many British writers have been advocating social, educational and economic reconstruction in Britain in the midst of war, with special emphasis on nutrition and housing.¹⁵ There is a growing demand in Britain and the United States for social and economic planning, both on a national and an international scale, as a corrective to pre-war anarchy. At the same time, there is a sober realization that, in developing a planned national or international order, men must give authority to governments “and in so doing, they increase the danger of despotism.”^{15a} This conflict between the desire for order and the desire for freedom creates

12. Address to the Pilgrim Society, New York, March 25, 1941. *The New York Times*, March 26, 1941.

13. *Ibid.*, December 26, 1940.

14. Message to Congress, January 6, 1941.

15. *A Plan for Britain*, Planning Pamphlets No. 3 (Washington, National Planning Association, February 1941); “The Mood of Progress,” *The Economist*, cited; “The Standard of Living,” *ibid.*, September 7, 1940, p. 302; “Dynamic Democracy,” *ibid.*, August 3, 1940, p. 145; Harold Laski, *Where Do We Go from Here?* (New York, Viking, 1940); H. G. Wells, *The New World Order* (New York, Knopf, 1940); Francis Williams, *War By Revolution* (New York, Viking, 1941). Measures taken in Britain to effect internal reconstruction will be analyzed in a forthcoming *Foreign Policy Report*. For American views on this subject, see Katharine F. Lenroot, “Social Justice within and among Nations,” and Spencer Miller, Jr., “Unemployment and War,” Commission to Study the Organization of Peace, *Preliminary Report and Monographs* (International Conciliation; New York, Carnegie Endowment for International Peace, April 1941, No. 369), pp. 382, 435.

15a. “The Democratic Dilemma,” *The Economist*, December 28, 1940.

what is widely recognized as the dilemma of democracy,¹⁶ which must be solved as a prelude to a new democratic order in international affairs. British and American planners are confronted with the task of adapting the political institutions of democracy, which have proved highly effective in politically advanced and economically prosperous countries, to the economic needs of a mass production era.

PLANNING FOR POST-WAR CONTROLS. Such plans must be formulated at a moment when the increasingly bitter struggle between national units for political control of markets and strategic raw materials in a period of intense preparation for war has led to growing measures of control over all forms of private enterprise. These controls have been drastically tightened, and new controls have been imposed, in the course of a totalitarian war in which all the economic forces of national units have been harnessed to military purposes. It seems difficult to believe that, on cessation of hostilities, these various controls can be abandoned overnight without creating chaotic dislocations which would imperil any attempt at post-war reconstruction.¹⁷

One of the criticisms, in fact, brought against the governments of France, Britain and the United States is that they demobilized too rapidly in 1919, and did not maintain some of the war controls long enough to permit gradual readjustment of world economy to peace conditions.¹⁸ Today Britain, Germany and the United States, in the midst of war, are already drafting plans to deal with the economic depression that must be expected to follow cessation of hostilities. Germany envisages economic reorganization of Europe as its major post-war task. Britain has established a Ministry of Public Works and Buildings to plan post-war housing, and is discussing reconstruction of bombed cities. Meanwhile, through adoption of the Keynes Plan, Britain is allowing both individuals and corporations to receive credit for a portion of their taxes, to be cashed after the war during the depression period.¹⁹ The United States, too, is looking to post-war demobilization, and the National Resources Planning Board has already prepared a six-year program on the development of resources and the stabilization of employment

in this country.²⁰ All plans for internal post-war reconstruction start with the assumption that more or less permanent government controls will have replaced *laissez-faire* methods both in the national and the international sphere. Thus the choice is not between totalitarian controls and return to "free enterprise"; the choice is between totalitarian controls and controls voluntarily accepted by the people of each country for the benefit of society as a whole. This choice is being recognized in Britain, and to a lesser extent in the United States. It results in increased emphasis on the necessity of developing, both within nations and among nations, not only a Bill of Rights but also a Bill of Duties or Responsibilities.²¹ According to this concept, individuals as members of national states, and states as members of international society, would be concerned not only with the promotion of their own individual or national interests, but also with the welfare of society as a whole.

HUMAN WELFARE: THE FORGOTTEN ELEMENT. Concern for "human welfare," which had hitherto been a practically forgotten element in the international equation, and the accompanying demand for "responsibility" on the part of individuals and nations, are reflected in a number of peace proposals. A British fact-finding group, composed of progressive economists, businessmen, civil servants and professors, known as PEP (Political and Economic Planning), included the following items in its preliminary program prepared in 1940: maintenance after the war of full economic activity based on complete use of man power and resources, "regardless of obsolete financial criteria"; assurance of a minimum standard of life, based on scientific standards of nutrition and proper provision for dependents; assurance of a minimum standard of housing, based on a socially planned program of housing and social amenities; provision of medical care and a reasonable measure of economic security, covering the hazards of employment, accidents, ill-health, widowhood and old age; the provision of equal opportunities for education in every country and the re-establishment of a European system of higher learning and research open to students of proved ability from all parts of the world; the provision of cultural and recreative activities and the establishment of organizations for the training and leisure of youth on a European scale.²²

16. Carl Becker, *Modern Democracy* (New Haven, Yale University Press, 1941).

17. J. B. Condliffe, *The Reconstruction of World Trade* (New York, Norton, 1941), p. 373.

18. Among others, see Thomas Balogh, "Work for All," *A Plan for Britain*, cited, p. 8.

19. These measures will be analyzed in detail in a forthcoming *Foreign Policy Report*.

20. See message of President Roosevelt to Congress, March 17, 1941, submitting report of National Resources Planning Board, United States, *Congressional Record*, March 17, 1941, p. 2356.

21. "Dynamic Democracy," cited; Address of Vice President Henry A. Wallace, at Foreign Policy Association, New York, April 8, 1941, *The New York Times*, April 9, 1941; Wells, *The New World Order*, cited.

22. Report of Political and Economic Planning group (circulated by the National Economic Planning Association, 1721 Eye Street, N.W., Washington, D.C., an organization which is working on problems of post-war planning).

A similar approach is found in two important statements by Christian groups in England. The first, *The Ten Proposals for Peace* made by the highest authorities of the Anglican, Roman Catholic and Free Churches, declares that "a peace settlement must be dictated by a sense of acute responsibility which weighs human statutes according to the holy, unshakeable rules of divine law"; that "extreme inequality of wealth should be abolished"; and that "the resources of the earth should be used as God's gift to the whole human race and used with due consideration for the present and future generations."²³

The other statement, which was adopted at the Malvern Conference representing liberal Church of England clergy and laymen, held on January 7-10, 1941, supported the proposals of the above group, and made the following additional recommendations. The monetary system should be so administered that what the community can produce is made available to the members of the community, the satisfaction of human needs being accepted as the only true end of production; no one should be deprived of support necessary for "the good life" by the fact that there is at some time no demand for his labor; the rights of labor must be recognized as in principle equal to those of capital in the control of industry, whatever the means by which this transformation is effected; in international trade a genuine interchange of materially needed commodities must take the place of a struggle for so-called favorable balance. The Malvern Conference added: "The question having been propounded upon moral grounds whether a just order of society can be established so long as ownership alone is a source of income or so long as the resources necessary to our common life are privately owned, we urge that Christian people should face this question with open minds and alert consciences."²⁴

More far-reaching proposals on the same lines were made at the People's Convention, representing extreme left-wing elements, held in Britain in January 1941.²⁵ This convention passed a resolution which embodied these points: To raise the living standards of the people, including wages, all pensions, compensation insurance and unemploy-

ment allowances; emergency powers to be used to take over the banks, land transport, armaments and large scale industry to end economic chaos, profiteering, speculation in food and corruption and to "organize our economic life in the interest of the people"; freedom for India, the right of colonial peoples to determine their own destiny, and "an end of enforced partition of Ireland."²⁶

Thus, whatever the outcome of the war, worldwide demands for a reformed social order must inevitably affect all discussion of plans for a new political order.

A NEW POLITICAL ORDER

Many observers of Europe's conflicts during the past two decades believe that the peacemakers of Versailles made a major error by endorsing the break-up of the Austro-Hungarian Empire, as well as portions of the German and Russian empires, into small units based on national self-determination, and oppose repetition of this process in a future peace settlement.

The post-1919 period does demonstrate that small states found it impossible, single-handed, to resist the clashing political and economic aspirations of neighboring great powers once these powers became engaged in war. The wars of Europe and Asia have also shown the practical impossibility for small or industrially weak countries, concerned primarily with peacetime pursuits, to defend themselves against an industrially powerful adversary ready to fight, if necessary. Countries which—often after a long history of wars and expansion—had settled down to cultivation of the arts of peace, or whose backward economy had prevented the development of modern industry, have therefore been placed at an insuperable disadvantage in modern totalitarian warfare, in which individual courage and initiative count only when accompanied by possession of the technical means of combat.

Yet to say this is not to condemn the principle of self-determination. What is open to criticism is not the principle itself, which fully harmonizes with democratic theories of self-government, but its application after 1919. The small national units

23. *Living Church*, Vol. CIII, No. 6, February 12, 1941, p. 11.

24. *Ibid.*, pp. 11, 12.

25. According to the *New Masses* (New York), the People's Convention was attended by 2,234 delegates representing about 1,000,000 Britons. Outstanding among the delegates were the following: 500 from industrial enterprises, 150 from youth organizations, 99 from cooperatives, and 250 from the Communist party. (*New Masses*, January 28, 1941, p. 22.) The meeting was repudiated by the Labor party, the Trades Union Congress, and the Cooperative Movement. It was regarded by the Labor party, the British press and *The New Statesman and Nation* (London) as a Communist meeting.

26. *The New York Times*, January 13, 1941. These British statements may be compared with the views of a group of American experts engaged in a study of the organization of peace: "Man will continue to want from this world freedom, social justice, economic and political security. He wants a world in which human intelligence can live abundantly; a world in which intelligence will be devoted to human progress rather than to destruction; a world in which man's labor may be directed toward his own advancement. This is largely a problem for local and national governments, but they cannot solve it alone." Commission to Study the Organization of Peace, *A Study of the Organization of Peace, based on the Preliminary Report of the Commission* (New York, 8 West 40th Street, 1940), p. 8.

that emerged from the defeat of Russia and the collapse of the Central Powers—and were for the most part acknowledged rather than created by the Paris peacemakers—were not then successfully integrated into a larger framework, regional, continental or world-wide, in which they might have found opportunities for political security and sound economic development. The political task of future peacemakers will be that of combining self-determination with some form of effective integration of the self-determined units.

NAZI PLANS: CONTINENTS RULED BY "MASTER RACES." It is generally recognized, both by German and Anglo-American planners, that the day of small national units, each seeking to preserve political and economic independence by resort to fierce nationalism, is past.²⁷ If the various national groups on the European continent—especially those east of Germany, who have become inextricably mingled by successive migrations—are to preserve some measure of autonomy, they must be linked with others into larger units.

Where German and Anglo-American planners differ fundamentally is regarding the methods by which national groups might be integrated into a supranational framework. The Germans envisage for Europe a sort of political hierarchy, with the German "master-race" at the top, and other national groups arranged, pyramid fashion, in accordance with their degree of kinship or readiness for collaboration with the "new order." Under such a system it is conceivable that the Dutch and Scandinavians, regarded as akin to the Germans, might—once they abandon their present passive resistance—be treated better and granted a larger measure of autonomy than the Poles and Czechs, regarded as permanently inferior and fit only to be slaves of the German "master race." Of the Latin peoples the French, rather than the Italians, might be cast for a relatively important rôle in the "new order," provided France turns its back on Western civilization and cuts its ties with Britain and the United States. The Spanish people,

too, might be assigned a modest part in the "new order," their most important task being that of drawing Spanish-speaking Latin America into the orbit of a German-dominated Europe. By their proclaimed plans and the concrete measures they have taken to carry out these plans in the occupied countries,²⁸ it may be assumed that the political pattern already familiar in Germany—rule of a self-appointed élite, racial discrimination, suppression of all opposition, censorship, etc.—would be imposed on a conquered continent.²⁹

Nazi political plans, however, are not limited to the European continent.³⁰ The Nazis believe that, at the end of the war, the world should be divided into several continental units, each ruled, like Europe, by a "master race" which will have proved its claims to mastery by physical vitality and military prowess. It is entirely conceivable that, in his original plans for re-division of the world, Hitler had contemplated preservation of the British Empire more or less intact, on condition that Britain abandon all interference on the European continent and return the German colonies it had acquired in 1919 in the form of League mandates.³¹

Now, however, that Germany is engaged in a struggle to the death with the British Empire, the Nazis contemplate re-division of the world at the expense of the British, not with their collaboration. Under their scheme Europe would be ruled by the Germans, "Greater East Asia" by the Japanese. Africa was originally to be divided up between Germany and Italy, but now that Italy itself has become subject to German control and completely dependent on the Nazis for final victory, it may be that Africa—described by the Nazis as an "appendage" of Europe—would also be ruled by the Germans. Russia might be temporarily left alone, until such time as its resources of food, oil and raw materials become necessary to the Greater

burg, 1931), whose ideas influenced Nazi thinking; Hermann Rauschning, *The Revolution of Nihilism* (New York, Alliance, 1939), and *The Voice of Destruction* (New York, Alliance, 1940).

30. For one version of Axis plans regarding re-division of the world, see the "exploratory" peace terms published in the *Japan Times Advertiser*, organ of the Tokyo Foreign Office, on April 29, 1941. *The New York Times*, April 30, 1941.

31. See Supplementary Communication from Chancellor Hitler to Sir Neville Henderson, British Ambassador to Germany, on August 25, 1939. Sir Neville Henderson, *Failure of a Mission, Berlin 1937-1939* (New York, Putnam, 1940), Appendix IV, p. 319. This document stated: "The Führer is ready to conclude agreements with England which, as has already been emphasized, would not only guarantee the existence of the British Empire in all circumstances as far as Germany is concerned, but also if necessary an assurance to the British Empire of German assistance regardless of where such assistance should be necessary." It may be noted that, in his speech at the America First meeting in New York on April 23, 1941, Charles A. Lindbergh said: "I have said before, and I will say again, that I believe it will be a tragedy to the entire world if the British Empire collapses." *The New York Times*, April 24, 1941.

27. See, for example, Prefatory Note, *Preliminary Report of the Commission to Study the Organization of Peace*, cited.

28. Vera M. Dean, "Europe Under Nazi Rule," *Foreign Policy Reports*, November 1, 1940.

29. No single comprehensive plan presenting Nazi ideas for the post-war political order has been published. Nazi ideas regarding the future, however, may be found in Adolf Hitler, *Mein Kampf* (New York, Reynal & Hitchcock, 1939), and in a number of speeches by Hitler and other Nazi leaders, among them Hitler's speech to the Reichstag, October 6, 1939, *The New York Times*, October 7, 1939; his speech to German arms workers, December 10, 1940, *ibid.*, December 11, 1940; and his speech of February 24, 1941, reprinted in *Facts in Review*, issued by the German Library of Information, Vol. III, March 17, 1941. For exposition and analysis of Nazi plans, see also Aurel Kolnai, *The War Against the West* (New York, Viking, 1938); Arthur Moeller van den Bruck, *Das dritte Reich* (Ham-

German Empire. At that time, Russia may be offered a choice between joining Hitler's "new order" and sharing in the spoils of the British Empire, possibly in the Near and Middle East, or in turn becoming subject to German rule.

The Western Hemisphere, like Russia, might be given a brief breathing-space, but on three important conditions: that the United States (by that time isolated from Europe, Asia and Africa) purge itself of elements hostile to nazism; that it recognize and collaborate with the "new order" in Europe and Asia; and that it does not interfere with free access by a German-dominated Europe to the food and raw materials of Latin America. The Nazis assume that the countries of Latin America, which in time of peace shipped over 50 per cent of their export products to Europe and Britain, would naturally gravitate toward Europe once the conflict is over.

ANGLO-AMERICAN PLANS: WHAT KIND OF INTEGRATION? Nazi plans for re-division of the world into continental units ruled by a "master race" are directly in conflict with those hitherto formulated in Britain and the United States. British and American planners differ widely regarding the scope of the supranational units of the future—whether these should be regional, continental or world-wide, and whether they should be constituted on the model of the American Federation or of the British Commonwealth of Nations. They agree, however, that national entities should be re-grouped not on the basis of domination by this or that race, but on a basis of equality and voluntary collaboration—although some of their plans (for example Federal Union) seem to imply Anglo-American supremacy, if only as a means toward attainment of equality at a later date.

Moreover, unlike the Nazis—who think first of all in continental terms, since Germany is not yet a great sea power—British and American planners think in terms of intercontinental arrangements, which would take into account the dependence of Britain, the British Dominions and the United States on sea communications for purposes both of commerce and defense. Anglo-American opposition to purely continental arrangements is shared by Europe's seafaring countries, notably Holland and Norway; while, by contrast, a section of opinion in France, which has long oscillated between dreams of continental and overseas em-

pire, favors abandonment of connections with overseas countries, and collaboration with Germany in a continental "new order."

Anglo-American plans for a new political order range all the way from reorganization and reform of the League of Nations, possibly under some other name, to acceptance by some groups in the United States of the idea of continental units, with the proposal that this country undertake the task of "integrating" the Western Hemisphere.³²

PLANS FOR WESTERN HEMISPHERE "INTEGRATION." Those Americans who would favor re-division of the world into continental units cannot be accused of supporting, consciously at least, Nazi theories of "master race" domination and racial discrimination. They believe, however, that America has continental "integration," as contrasted with "disintegrated Europe," and therefore "the possibility of relative self-sufficiency."³³ Supporters of a "continental" policy, however, do not think in terms merely of the continental United States, but are divided into several schools, each advocating some different geographical formula of "continental integration." Some would include Canada, the Panama Canal, American bases in British Western Hemisphere possessions, and Central American countries adjoining the Panama Canal; others would stretch the "continent" to include all of Latin America above the "bulge" of Brazil, advocating "quarter-sphere defense"; still others would take in all of the Western Hemisphere, including Argentina, which lies at a greater distance from the American Middle West than Japan or Turkey.³⁴ In the Western Hemisphere, however it may be geographically defined, the United States, according to the "continental" theory, should be prepared to build sufficient defenses to protect itself against what Mr. Lindbergh has described, without naming them, as "the strongest powers in Europe and Asia."³⁵

This concept of Western Hemisphere "integration," which has to a large extent displaced the post-1919 concept of American isolation, fits in neatly with the pattern of division into continental units, each ruled by a "master race," envisaged by the Nazis. It would involve "integration" into the

32. For discussion of American foreign policy in this connection, see William T. Stone and the Research Staff of the Foreign Policy Association, "America's Choice Today," *World Affairs Pamphlets* (New York, Foreign Policy Association, July 1940); John I. B. McCulloch, "The Challenge to the Americas," *Headline Books* (New York, Foreign Policy Association, October 1940); Howard J. Trueblood, "Raw Material Resources of Latin America," *Foreign Policy Reports*, August 1, 1939.

33. Jerome Frank, *Save America First* (New York, Harper, 1938). See also Charles A. Beard, *A Foreign Policy for the United States* (New York, Knopf, 1940); Stuart Chase, *The New Western Front* (New York, Harcourt, Brace, 1939); former Colonel Charles A. Lindbergh, Formal Statement on the Lend-Lease Bill before the House Foreign Affairs Committee, January 23, 1941. Hearings before the Committee on Foreign Affairs, House of Representatives, 77th Congress, 1st Session, on H.R. 1776, *A Bill further to promote the Defense of the United States, and for other purposes*, January 23, 1941.

34. Eugene Staley, "The Myth of the Continents," *Foreign Affairs*, April 1941, p. 481.

35. Formal statement on the Lend-Lease Bill, cited.

domain of the United States, by force if necessary, of countries which might be reluctant for economic, religious or cultural reasons to become part and parcel of a "continental" unit ruled by North Americans, who would, in their eyes, be assuming the rôle of "master race." As has happened in Europe, Asia and Africa, continental "integration" might require, in its initial stages at least, a policy of imperialism and armed intervention in recalcitrant countries—a development which does not appear to have been sufficiently analyzed by those Americans who in the past, while advocating isolation, have opposed armed intervention.

Whether the newly welded continents anticipated by the Nazis would then develop friendly relations with each other or seek to dominate each other by force, thus substituting wars between continents for wars within continents, is by no means clear either from Nazi plans or from the proposals of American "continentalists." In practice, however, the Nazis appear to have no intention of being excluded from trade with Latin America, on such terms as may appear desirable to a German-dominated Europe. To what extent the United States would then be able to retain its influence over Latin America, whose economic and cultural orientation, far from being "continental" is directed toward Europe, remains an unanswered question. Moreover, the fact must be faced that the United States would have great difficulty in offering Latin America material advantages in any way commensurate with those promised by German-dominated Europe—especially if Germany, meanwhile, acquires control of strategic positions on the west coast of Africa, from which it could threaten the security of South America, as well as United States sea communications in the South Atlantic. Should the United States, in an effort to retain Latin American countries within its orbit, then resort to armed intervention, it might arouse in those countries a resentment which could be skillfully used by Germany to promote Nazi influence in the Western Hemisphere without resort to military force.

THE ANGLO-AMERICAN FRONT AND EUROPE. The concept of Western Hemisphere "integration" represents an outgrowth of twenty years of American isolationism, much as Britain's policy of "appeasement" toward Germany represented an outgrowth of its repugnance to assume responsibility in European affairs. While public opinion in Britain and the United States, after 1919, paid lip-service to international collaboration, it was on the whole reluctant to accept the political, military and economic obligations implied by participation in a world organization like the League of Na-

tions. Once Germany had been defeated and the balance of power had been restored, the British turned back, as they had done again and again following victories on the continent, to the multifarious tasks of the British Empire outside Europe; and the United States, having rejected participation in the League of Nations, similarly turned to a policy which sought to combine political isolation with efforts to expand foreign trade. The United States might have successfully practiced this policy—as it had done in the early days of its history—if it had been able to resurrect the pre-1914 situation. But meanwhile, as a result of the first World War, this country had replaced Britain as the foremost economic power in the world, without assuming some of the political responsibilities which Britain had borne during the nineteenth century. The United States sought to restore the pre-war economic order, with its network of foreign loans, tariffs, investments and commerce based on maintenance of the gold standard, without attempting to establish a political order designed for long-term peaceful development.

Thus both Britain and the United States, after 1919, turned their backs on the European continent, but with two major qualifications, far-reaching in their effects: they extended financial aid to Germany, which was thus afforded the opportunity to modernize its industry, now so efficiently used against Britain, and subsequently possibly against the United States; and they constantly moralized about "injustices" in Europe—first the "injustices" committed by post-war France against Germany, then the "injustices" committed by Nazi Germany against the countries of Eastern Europe. In neither instance did Britain and the United States take the responsibility for a fundamental reconstruction of Europe which might have prevented Germany from using its industry for military purposes, and might have eradicated some of the basic causes of the "injustices" which brought criticisms and moral exhortations from the British and American public. The whole elaborate structure of the 1919 peace treaties and the League of Nations was originally predicated on Anglo-American responsibility for the political security of Europe, and their withdrawal immediately following the war contributed in very large measure to post-war turmoil on the continent. Under the circumstances, their "moral" intervention in Europe, combined with complete irresponsibility as to its consequences for European peoples, gave some basis for the assertions of the Nazis—echoed in France, Italy and other continental countries—that Britain and the United States henceforth be excluded from European affairs.

EUROPEAN FEDERATION: FOR WHOM? The dual nature of Britain's policy, concerned simultaneously but in widely varying degrees with Europe and the Empire, is reflected in Anglo-American plans for post-war political reconstruction of Europe. In recognizing European governments in exile as the legitimate rulers of their respective occupied countries, Britain has indicated that it would endeavor to "restore" these countries when it has defeated Germany. This possibility of restoration, which squarely challenges Nazi plans for the establishment of a German-dominated "new order" on the continent, raises far-reaching questions regarding the future of Europe. Will Britain, if it wins the war with the aid of the British Dominions and the United States, assume a preponderant rôle as guardian of the continent, at least until the conquered peoples have reorganized themselves on a basis of free collaboration? Will the United States have to help Britain win the peace as well as the war, and share with Britain the responsibility for European reconstruction? Should a European federation be limited to the continental countries, or should it include Britain? If it includes Britain, what is to be the relationship of the British Dominions and the United States to the European federation? If it excludes Britain, should the British Isles enter into closer collaboration with the British Dominions and the United States, such as that proposed in various plans for Federal Union? Should the European federation exclude Russia? If so, what is to be Russia's rôle in the post-war political order envisaged by Anglo-American planners?

THE PROBLEM OF GERMANY. The most controversial issue in any discussion of European federation is what should be done with Germany in case of Nazi defeat. It is obvious that destruction or permanent subjugation of 80 million Germans—desirable as it may seem today to conquered peoples bent on revenge—is outside the realm of the practical. Some anti-Nazi Germans believe that a sharp distinction should be drawn in peace aims between the Nazis and the German people. The Western powers, they contend, should convince the Germans that the disappearance, not merely of Hitler, but of the Nazi régime, "will be the end of defeat."³⁶ Other anti-Nazi Germans believe that the only solution of the German problem is to break

up Germany and place it under foreign military control.³⁷ Non-German opinion remains divided on the question whether the best method of dealing with the Germans after the war would be repression (advocated in 1919 by the French), or reconciliation (advocated in 1919 by the British). Should Germany be subjected to Anglo-American military control for a period of say fifty years, on the theory that it may by that time have forsworn militarism? Can the clock of history be turned back, and an effort made to break up Germany into the units of which it was composed before 1870, on the premise that a federated Germany freed of Prussian domination could then be successfully integrated into a federated Europe? Or should Germany's preponderance in terms of population and technical skill be recognized, and Germany be assigned a dominant rôle in the European federation, provided it undertakes to respect the rights of other national groups and abandons its theories of racial discrimination? Should an immediate effort be made, at the end of the war, to build a European federation? Or should the first task be to organize regional federations of states grouped on the basis of territorial proximity and political or economic "affinities?" Is it possible to combine, in a European federation, countries differing widely in historical development, political experience, social structure, and economic organization? Or is it essential, for the success of European federation, that the member states should be politically and economically "compatible"?

To these and other questions no one clear answer is given by plans currently discussed in Britain and the United States, or among exiled leaders of Europe's conquered countries.³⁸ Some planners have advocated a federation between Britain and France, membership in which would be open to other states, with common ownership of colonial possessions.³⁹ Others urge a strong European federation functioning within a world organization, and grouping within its framework smaller regional unions—Baltic, Danubian, Balkan, etc.; such a federation, it is believed, would serve to counterbalance the numerical preponderance of both Germany and the Soviet Union.⁴⁰ Still other planners favor a federation of Western Europe,

36. Simons, "Coordinating War and Peace Efforts," cited.

37. Sebastian Haffner, *Germany: Jekyll and Hyde* (London, Secker and Warburg, 1940).

38. The monthly review, *New Europe*, published in New York since March 1941, serves as an organ for exiled European leaders. Its articles present various points of view, and offer an interesting cross-section of European opinion regarding the post-war order.

39. Norman Angell, *For What Do We Fight?* (New York, Harper, 1939). On June 17, 1940, the eve of the fall of France, Prime Minister Winston Churchill proposed union of Britain and France, and of their overseas empires, to be headed by the President of France. For text of this proposal, see *The Times* (London), June 18, 1940.

40. It would be impossible to give a complete list of references to articles and books which advocate some form of European federation. For a useful (preliminary) annotated bibliography, the reader is referred to Fawn M. Brodie, "Peace Aims and Post-War Reconstruction" (issued in mimeographed

which would exclude Germany and Russia, but would function within a world-wide organization.⁴¹ Some plans would link Britain with the United States and the British Dominions, leaving Europe to form its own federation; others would include Britain in the European federation, leaving the United States and the British Dominions to join a reformed and reorganized League of Nations. Some plans urge federation of "like-minded" states;⁴² others would recognize the necessity of including Germany, although some effort would be made to reduce Germany's military and industrial power, and entrust preponderant force to the Anglo-American combination for a given period.⁴³

It is interesting to note that, with a few exceptions, British plans would exclude Russia from a European federation, however it may be formed, on the ground that Russia is itself a continent, and that its admission would throw the European federation out of balance. At the same time, British plans recognize the necessity of integrating Germany, in one way or another, into any proposed European federation. While some British planners believe that Germany's military power should be curtailed, through disarmament and demobilization of industry, which would be geared to serve peacetime instead of wartime needs, they are reluctant to undertake repression of Germany for any length of time following cessation of hostilities. The British believe that the

form by the American Committee for International Studies, Princeton, New Jersey, February 1941). Among the most interesting works on the subject may be mentioned the following: Eduard Benes, *Democracy Today and Tomorrow* (New York, Macmillan, 1939); Alfred M. Bingham, *United States of Europe* (New York, Duell, Sloan and Pearce, 1940); H. N. Brailsford, "Can Europe Federate?" *New Republic*, March 18, 1940; Raymond L. Buell, *Isolated America* (New York, Knopf, 1940, second edition); Felix, Archduke of Hapsburg, *First Steps toward Peace in Europe* (Philadelphia, University of Pennsylvania Press, 1940); Oscar Jaszi, "Federalism for Peace," *Christian Science Monitor Magazine*, February 17, 1940, p. 2; R. W. G. Mackay, *Federal Europe* (London, Michael Joseph, 1940); "Unity with Freedom," *New Statesman and Nation*, November 23, 1940; Harold Nicolson, *Why Britain is at War* (New York, Penguin, 1939); Hubert Ripka, "Is a Federation in the Baltic-Aegean Area Possible?" *Free Europe*, November 29, 1940; numerous articles in *New Europe*; Rustem Vambery, "United States of the Danube," *The Nation*, December 23, 1939.

41. Sir William Beveridge, *Peace by Federation* (World Order Papers, No. 3, Royal Institute of International Affairs, February 1940); W. Ivor Jennings, *A Federation for Western Europe* (New York, Macmillan, 1940).

42. Sir John Fischer Williams, *An Attempt at an Outline* (World Order Papers No. 1, Royal Institute of International Affairs, December 1939).

43. Lionel M. Gelber, *War for Power and Power for Peace* (Oxford Pamphlets on World Affairs, Toronto, Oxford University Press, 1940); G. P. Gooch, "Germany in the Europe of Tomorrow," *Free Europe*, November 15, 1940; Haffner, *Germany: Jekyll and Hyde*, cited; Felix Morley, "The Formula of Federation," *Asia*, June 1940; "Peace Terms for Germany; What the German Democrats propose in the event of Hitler's Defeat," *The New Republic*, April 1, 1940.

character of the Germans and their predilection for militarism may seem to require repression rather than reconciliation, but that repression is incompatible with the character of democratic Britain and might have an adverse effect on opinion in the United States.⁴⁴ Other Britishers advocate universal disarmament, including Britain.

FEDERAL UNION OF DEMOCRACIES. The only alternative so far proposed to European federation, on the one hand, and world-wide organization on the other, is the group of projects in Britain and the United States known under the general name of Federal Union.⁴⁵ In his original plan of Union Now, Clarence Streit proposed the union of European democracies with Britain, the British Dominions and the United States. Following the conquest of Western and Northern Europe by Germany in the spring of 1940, Mr. Streit revised his plan, which now calls for immediate union by the United States with Britain, Canada, Eire, the Union of South Africa, Australia and New Zealand. France, Belgium, Holland, Norway and Denmark, originally included in Union Now, would join as soon as they are freed of German occupation.

In American proposals for "Union Now with Britain," the provisional constitution of the Union would be based on that of the United States.⁴⁶ The Union would have the sole right to grant citizenship, admit new states, treat with foreign governments, provide for the Union's defense, raise armies, regulate commerce among the member states and with foreign states, coin and issue money, fix standards of weights and measures, own and operate the postal service and interstate communication services. Rights not delegated to the Union would be reserved to the states. The Union would guarantee a democratic form of government to its member states, and only states which had developed democratic institutions would be admitted to the Union. Legislative power would be vested in a unicameral legislature elected on a basis of population. Executive power would be vested in a Board of five members, two to be elected by the legislature, and three by the people. This

44. "War Aims and Peace Aims," *The Economist*, December 7, 1940.

45. Clarence Streit, *Union Now: A Proposal for a Federal Union of the Democracies of the North Atlantic* (New York, Harper, 1939); "For Mutual Advantage," *The Atlantic*, November 1940; *Union Now with Britain* (New York, Harper, 1941). See also C. E. M. Joad, *The Philosophy of Federalism* (Federal Tracts, No. 5: London, Macmillan, 1941); Barbara Wootton, *Socialism and Federation* (Federal Tracts No. 6: London, Macmillan, 1941).

46. Mr. Streit proposes that, as soon as war is over, a constitutional convention should be called to draft a permanent constitution. A bicameral legislature might then be set up.

Board would have functions similar to those of the President of the United States. Judicial power would be vested in a High Court, with powers similar to those of the Supreme Court of the United States.

American advocates of Federal Union believe such a union is essential both for the immediate purpose of winning the war, and for the ultimate purpose of establishing world peace. They contend that Federal Union, based on popular representation, would offer a great advance both over an alliance with the British democracies, and over a league of sovereign states, such as the League of Nations. Among the practical advantages of such a Union, they point out, are that it would possess more than a third of the world's territory; would have command of the high seas; would control practically every essential war material; and would be so powerful that no nation or group of nations would risk attacking it. At the same time, it would not be exclusive, but would leave the door open for other nations to join and would not, in the opinion of its supporters, develop into a super-state.⁴⁷

The British Federal Union group agrees with the American group on fundamentals, but is inclined to feel that the United States is not yet ready for such close union with Britain and the British Dominions as that advocated by Mr. Streit; that Britain has many ties with a potential European federation, which they do not want to jeopardize by close union with extra-European countries; and that the British are better adapted for the kind of organization developed by the British Commonwealth of Nations than for a federation based on American experience.⁴⁸

While it is admitted, in the United States, that the proponents of Federal Union have been strikingly successful in dramatizing their approach to world problems, many questions have been raised regarding this project. Some critics point out that it fails to come to grips with major problems such as the rôle Germany may play after the war; the relationship of the proposed Union to Latin American countries, the Soviet Union and Japan, and the economic problems that underlie the present conflict. By neglecting these problems, it is asserted, Federal Union constitutes a form of escapism, and offers the kind of oversimplified "solution" that many Americans who are alarmed by

the complexity of international relations would like to find.⁴⁹ It is also pointed out that, by emphasizing collaboration between English-speaking and "democratic" peoples, Federal Union creates fear among other countries—notably in Latin America—that a British victory achieved with the aid of the British Dominions and the United States would result in Anglo-Saxon domination of the world, which many non-Anglo-Saxons find no more palatable than German domination. The very fact, stressed by Mr. Streit, that a union of the English-speaking peoples would control a major share of the world's economic resources might aggravate the existing conflict between "haves" and "have-nots." Similarly, the emphasis on a union of "democratic" countries might accentuate the present division between Britain and the United States, on the one hand, and many countries in all continents which, owing to differences in historical development, national temper, political experience and economic resources have not so far developed democratic institutions. It is also argued that Federal Union dismisses too summarily the experience of the League of Nations. To these, and other criticisms, proponents of Federal Union say that there is no time, in the present emergency, for controversy over minor points; that no more practicable proposal has yet been advanced; and that a start must be made somewhere toward international organization, for which a union of English-speaking and democratic peoples would serve as an important nucleus.

REORGANIZATION OF THE LEAGUE. While plans for European federation and Federal Union have received the greatest measure of public attention, proposals have also been advanced for reform and reorganization of the League. These proposals are based on the assumption that, after the war, it will still be necessary to form an international organization, whatever its name, which would serve as an over-all framework for the regional and continental units now under discussion; and that the League of Nations, with all its admitted defects, provides a wealth of practical experience for future international organization.⁵⁰

Two general approaches are made to the task of League reorganization and reform. One approach is to advocate strengthening of the League at the points where it revealed its principal weak-

47. "Let's Not Make the Same Mistake Twice," *Federal Union* (10 East 40th Street, New York, N. Y.), pp. 10-11.

48. See Mackay, *Federated Europe*, cited; also R. W. G. Mackay, *Peace Aims and the New Order* (London, Michael-Joseph, 1941), where the author presents a draft constitution of a United States of Europe. Viscount Cecil says: "We do not think that any closer organization such as Federal Union is practicable at present." *The Great Experiment*, cited, p. 371.

49. See review of *Union Now with Britain* by C. Hartley Grattan, *The New York Times Book Review*, May 16, 1941, p. 14; also Birdsall, *Versailles Twenty Years After*, cited, p. 307.

50. Viscount Cecil, *The Great Experiment*, cited; Maxwell Garnett, *A Lasting Peace* (London, Allen and Unwin, 1940); Gilbert Murray, *Federation and the League of Nations* (World Order Papers No. 2, Royal Institute of International Affairs, January 1940); Leonard Woolf, *The War for Peace* (London, Routledge, 1940).

nesses. The advocates of this view would give the League compulsory jurisdiction in the settlement of disputes; would place at its disposal an international police force, preferably an air force; would create effective League machinery for economic cooperation; and would provide the League with adequate methods for peaceful change. All these reforms would require far greater sacrifices of national sovereignty than League members were ready to make before 1939, and a far greater measure of international planning and control over armaments and economic resources than has hitherto been developed.

Because of these practical difficulties, more cautious supporters of League reform would, on the contrary, reduce the political and military functions of the League of Nations, and strengthen its work on economic and social problems, in which it had already displayed notable efficiency and imagination when not hampered by political differences between member states. It has therefore been suggested that an "Economic League," separate from a "Political League," should be established, which could achieve universality of membership without the restrictions imposed by the predominantly political character of the League of Nations.⁵¹ A special committee of the League, headed by S. M. Bruce, High Commissioner for Australia in London, submitted a report to the League Assembly on December 12, 1939 (known as the Bruce Report), recommending the establishment of a new Central Committee for Economic and Social Questions which would have an autonomy and separate membership not unlike those of the International Labor Office, of which the United States is a member.⁵²

Proposals for segregation and expansion of the League's economic and social functions are usually combined with proposals for continuance and expansion of the work of the I.L.O. which, unlike the League, represents the interests not only of governments, but also of industry and labor. The fact that both the I.L.O. and the economic and social sections of the League have been transferred to Canada and the United States, respectively, adds to the practical significance of these proposals. At the same time, plans which emphasize the need for expanding League work in economic and

social fields, by stressing human welfare as the primary consideration in international reconstruction, are closely linked with British and American plans which urge the need for considering human welfare in any attempt at national reconstruction.⁵³

In comparing Nazi and Anglo-American plans for the post-war political order, it should be noted that the choice is not between Hitler's "new order," based on re-division of the world into continents, each ruled by a "master race," and return to an international society composed of compartmentalized national states each desperately striving to achieve political and economic self-sufficiency. The choice is between Hitler's "new order," and a supranational organization based on the voluntary collaboration of free peoples, who would be concerned not merely with their own rights and privileges, as they have been in the past, but with the interests and welfare of international society as a whole, to be achieved by peaceful means.

A NEW ECONOMIC ORDER

In discussing the post-war economic order, as in discussing the post-war political order, German and Anglo-American planners agree that it will be impossible and undesirable, at the end of the war, to restore an international economic system based on small national units struggling with each other for markets and raw materials, and striving to shut each other's exports out by tariff walls, currency restrictions, and other forms of national control. Both groups look toward the formation of larger economic units, corresponding roughly to the larger political units envisaged for the post-war period, and a greater measure of planning and coordination of the world's resources than had ever been undertaken in the past.

Here again, as with respect to the post-war political order, German and Anglo-American planners differ fundamentally regarding the methods to be used for achievement of their objectives. The Nazis think in terms of continental economic systems, linked by barter trade, with the European continent plus Africa organized by Germany primarily for the benefit of the German people, and corresponding reorganization of Asia for the benefit of the Japanese. The British and Americans, while differing widely among themselves on many details, think in terms of throwing the resources of the whole world open to all peoples on a basis of equality, and distributing these resources in such a way as to benefit international society as a whole. In formulating their plans, the Anglo-Americans admit that the international organiza-

53. See p. 54.

51. William P. Maddox, "Reorganizing the League of Nations—An Economic Approach," *European Plans for World Order* (Philadelphia, American Academy of Political and Social Science, 1940), p. 20.

52. See Draft Constitution for a League Committee on Economic and Social Questions prepared by the Bruce Committee, in "Report of the Special Committee on the Development of International Cooperation in Economic and Social Affairs," *Special Supplement to Monthly Summary of the League of Nations*, August 1939, pp. 18-22.

tion of the pre-1939 period did not correspond to the economic realities of the modern world, and created many glaring inequalities.

NAZI PLANS: A GREATER GERMAN ECONOMIC EMPIRE. It would be difficult to say that the Nazis have as yet agreed on a master-plan for economic reorganization of the world, or even of Europe, on cessation of hostilities.⁵⁴ Some Nazis favor the economic unification of Europe under German leadership by the abolition of tariffs and the formation of a customs union, thus laying the basis for *Grossraumwirtschaft* (large space economy)—a concept advanced by German nationalists before 1914. Others, notably Dr. Funk and Marshal Goering, believe Germany should assume political control of the essential means of production of the continent—raw materials, finishing processes, credit and foreign exchange—and administer these on behalf of all Europe. Still others, among them military experts, would disarm all the conquered countries and transform them into vassal states. In case of German victory, there would be nothing to prevent the Nazis from using a combination of all these plans for the achievement of the objective on which they would unanimously agree—and that is German economic hegemony of the continent for the benefit primarily of the German people.

The main outlines of the "peace economy" the Nazis plan to establish in Europe are already emerging from measures taken during the war. To begin with, British and American financial interests, accused by the Nazis of responsibility for the war, would be excluded from Europe—although some Germans intimate that, after the war, American capital might find profitable investment in reconstruction of the continent,⁵⁵ presumably under Nazi administration. The Nazis attack the "plutodemocracy" of Britain and the United States, denounce the financial control form-

erly exercised by these countries in backward regions, notably the Balkans, reject "gold standard" economy, and assert that in the future European economy will be based not on currency supported by gold, but on the productive power of labor.⁵⁶ European production will be reorganized "on a long-term basis, for the German market, which represents a secure outlet for their goods for many years to come," in such a way as to raise the standard of living of the European peoples, and assure them against "eventual measures of blockade from extra-European countries."⁵⁷

In this reorganized European economy Germany—which has already utilized modern industrial technique to a degree unsurpassed by any other European country—would become the principal industrial power on the continent. The industries of the conquered countries would be maintained, except when they compete with existing German industries or operate on unavailable imported raw materials, in which case they might be curtailed or abolished. These industries would then be integrated into the German industrial system, either through German financial participation in their management, inclusion in German-dominated cartels, or other methods.

Aside from the industrial and extractive enterprises that might be maintained for the benefit of Reich economy, the conquered countries would be persuaded or coerced to devote their efforts to agriculture. The Nazis expect that intensification of agricultural production, with the application of modern agronomical methods and machinery provided by Germany, would diminish Europe's dependence on overseas sources of foodstuffs, and make it possible for the great industrial Reich to obtain its food and raw materials from a continental instead of a colonial empire. The conquered countries—not only the primarily agrarian lands of Eastern Europe and the Balkans, but such highly industrialized countries as France, Belgium and Holland—would become more dependent on agriculture, and would have to sell their products to the Reich at prices fixed by the Nazi authorities, instead of seeking markets in Britain and overseas. The Reich, in turn, would enjoy a monopoly of the markets of the conquered countries, which would have to purchase manufactured goods from Germany, rather than from extra-European sources, again at prices fixed by the Nazi authorities. Moreover, once the industries of conquered countries have either been curtailed or subordinated to those of the Reich, these

54. For analysis of Nazi economic plans, see Peter Drucker, "Germany's Plans for Europe," *Harpers*, November 1940; Rauschning, *The Revolution of Nihilism*, and *The Voice of Destruction*, both cited; John Cudahy, "Nazis Offer Views on Trade in Future," *The New York Times*, April 27, 1941; and various speeches of Nazi officials, notably that of Dr. Funk, Reich Minister of Economics, on July 25, 1940, *Frankfurter Zeitung*, July 26, 1940; articles in *Der deutsche Volkswirt*, especially the following: Helmuth Wohltat, "Besetzte Gebiete in der europäischen Zusammenarbeit" (December 20, 1940); Georg von Schnitzler, "Autoritäre Wirtschaftsführung bejaht den internationalen Gütertausch" (December 20, 1940); "Europäische Planung" (August 2, 1940); "Der Handel in und nach dem Kriege" (August 2, 1940); and articles in the *German-American Commerce Bulletin*, especially a series in the issue of December 1940, and Erich Neumann, "The Arms of Germany's Economic Policy" (March 1941); also Louis Domeratzky, "Germany's Plans for Post-War Economy: Their Scope and Implications," *Foreign Commerce Weekly*, May 10, 1941.

55. Cudahy, "Nazis Offer Views on Trade in Future," cited.

56. See Chancellor Hitler's speech of February 25, 1941, cited.

57. Dr. Funk, speech of July 25, 1940, cited.

countries would be effectively disarmed, since a modern industrial plant is essential for the production of armaments.

The great industrial Reich would be in a position to utilize not only the food and raw material resources of the entire continent, but also its resources of man power. Skilled workers previously employed in the industries of conquered countries have already been offered a choice between starvation, return to agriculture (for which they might be unfitted), or work in German factories at wages fixed by the Nazis. Thousands of them, confronted with this choice, are working in Germany, thus releasing German labor for service with the armed forces. Even earlier, the Nazis had imported thousands of agricultural laborers from Italy and Eastern Europe to till German fields and gather German harvests. Today, it is stated by Berlin that 2,000,000 war prisoners and foreign civilians are employed in German industry, mining and agriculture. War prisoners and civilian workers of Polish and Czech origin are employed chiefly in agriculture, while Dutch, French, British, Norwegian and Belgian prisoners as well as civilian workers from occupied countries have been assigned principally to mining and industrial enterprises.⁵⁸ It is conceivable that this arrangement would be perpetuated and expanded at the end of the war, when a victorious Germany would have to seek ways and means to minimize the disastrous effects of demobilization, return of war prisoners to occupied countries meanwhile shorn of some of their industries, and consequent large-scale unemployment, which might provoke unrest resulting in revolution. Under such a system, industrial and agricultural work might continue to be performed by the conquered peoples, while the German "master-race" would devote itself to the tasks of policing and administering its continental empire. Some Nazi spokesmen, however, have warned the Germans not to fall into the "error of the English" by relying on other nations to work for them while they, as "masters," "fatten" on the profits of the labor of others. These spokesmen tell the German people that they must continue to work in order to maintain their hard-won domination.

While Nazi plans for economic relations between continental units at the close of the war have not been clearly formulated, Nazi spokesmen have indicated they intend to maintain and develop trade relations with regions that in the past have provided Europe with foodstuffs and

raw materials in which it is deficient—notably Asia and Latin America. The Nazis believe that the Latin American countries will not only be ready but eager to trade with a vast European system which would provide an outlet for their major products. Rejecting the use of gold in international exchanges, the Nazis plan to expand their system of bilateral trade treaties and clearing agreements, under which all transactions between Germany and other countries were liquidated not by transfers of currency but by the barter of goods. This system, according to the Germans, has broken "the economic monopoly held by those nations [like Britain and the United States] who are able to make cash transfers of foreign loans."⁵⁹ While it is admitted by non-German economists that Nazi methods have promoted the industrial development of backward countries, it is pointed out that the capital has been actually provided by the backward countries, not by Germany.⁶⁰ Yet this is not necessarily an undesirable feature from the point of view of "backward" countries—provided, of course, that trade with Germany does not imply, as it has so far, the danger of German political control. Actually Germany has furnished these countries with capital goods or equipment, debiting them on a clearing account, which is gradually paid off by deliveries of the goods produced with the capital equipment. Under the Anglo-American system of financial loans, debtor countries often cannot repay loans or buy back investments, with the result that their resources are permanently owned by the citizens of the great financial powers. The possibility, however, is not excluded that, if Germany obtains access to gold resources it has hitherto lacked, it might be less contemptuous of that metal, and more prepared to use it in international transactions.

In discussing some of the post-war problems with American business representatives, Nazi spokesmen have indicated that they would be ready, once peace has been established, to share trade in backward regions with the United States.⁶¹ Sincere as these intentions may be, the Nazis would enjoy two immediate advantages over the United States in the post-war period: Germany has already organized a vast network of controls, which would permit German-dominated Europe to function as a solid economic bloc, and not as a congeries of conflicting economic interests, such as exists in the United States; and it

58. U.S., Department of Commerce, "German Employment of Prisoners and Foreign Civilians," *Foreign Commerce Weekly*, April 26, 1941, p. 175, citing survey issued by the German Ministry of Labor.

59. M. von Mickwitz, *The Economic Structure of Capital Exports to Southeastern Europe*, German memorandum submitted to the Twelfth Session of the International Studies Conference, held in Bergen, Norway, in August 1939.

60. Condliffe, *The Reconstruction of World Trade*, cited, p. 345.

61. Cudahy, "Nazis Offer Views on Trade in Future," cited.

would be able to draw on a reservoir of cheap labor and raw materials in the conquered countries. The Nazis would consequently be in a position to offer manufactured goods at prices much lower than those of the United States—unless, meanwhile, this country accepts a form of totalitarian economy comparable to that of Germany, and American manufacturers reduce prices and wages, with corresponding reduction in standards of living. Competition with a greater German economic empire, having Europe as its base and the world as its sphere of influence, would confront the United States with fundamental political and economic problems, even if this country should avoid active participation in war and succeed in “integrating” the Western Hemisphere under its control.

ANGLO-AMERICAN PLANS: POOLING OF WORLD RESOURCES. Like the Nazis, British and American planners differ among themselves regarding methods of achieving their post-war objectives. But while the Nazis are outwardly united in promoting a totalitarian economic system, nationally and internationally, Anglo-American planners range all the way from those who would restore *laissez-faire* capitalism to those who would like to experiment with some form of socialism or communism. This fundamental cleavage is reflected in controversies both in Britain and the United States regarding the nature of social and economic changes to be sought during and after the war. The kind of new order envisaged by Conservative members of the British Cabinet, for example, would not coincide with that contemplated by Ernest Bevin, British Minister of Labor and other representatives of the Labor party.⁶² In the United States, where public opinion is already split several ways on the relative merits and demerits of the New Deal, some leaders, for example ex-Ambassador Joseph Kennedy and Senator Vandenberg, have raised questions about aid to Britain on the ground that it is moving toward socialism; while others have opposed aid to Britain on the ground that the British are still wedded to a semi-feudal social structure which does not correspond to the American concept of modern democracy.⁶³

This cleavage in social and economic philosophy

is also revealed in plans for a post-war international order. Some Britishers and Americans believe that the only hope for peaceful development after the war is restoration of “free enterprise” and liberation of international trade from all the controls and restrictions that have been imposed on it since 1919.⁶⁴ They would therefore oppose controls both within nations and among nations, and some of them view with alarm the controls already adopted by Britain and the United States for war purposes, on the ground that these will lead either to fascism or socialism.⁶⁵

Others, on the contrary, favor much greater international control than in the past over all the essential elements of production and distribution—raw materials, markets, foreign exchange, and credit. These controls, they urge, should be administered not by individual nations at the behest of this or that group of national traders, industrialists or bankers, as has been done in the past, but by some form of International Authority composed of delegates from all nations, representing industry, labor, finance and consumers.⁶⁶ This International Authority would open backward regions to the capital, labor and managerial talents of the entire world; and would pool the raw materials of the entire world for distribution among all peoples on a basis of need. Such a system envisages the establishment of an international bank, with subsidiary banks in various regions; regulation of production and distribution of the principal foodstuffs and raw materials; organized migration, which would permit transfer of labor to points where it is most needed, in an effort to alleviate unemployment and to bring labor into newly developed regions; and administration of health and social welfare measures on an international scale, in an effort to establish uniform mini-

63. For a British Labor answer to the arguments of Mr. Kennedy, see Harold J. Laski, “British Democracy and Mr. Kennedy,” *Harpers*, April 1941, p. 464.

64. Broadcast of Prime Minister Chamberlain, November 26, 1939, cited; Marquess of Lothian, late British Ambassador to the United States, statement made in Washington on December 11, 1940, *The New York Times*, December 12, 1940; Wendell L. Willkie, speech at the United China Relief Dinner, New York, March 26, 1941, *ibid.*, March 27, 1941; address of Herbert Hoover on “The Question of Peace” in New Haven, March 28, 1941, *ibid.*, March 29, 1941.

65. Hoover, “The Question of Peace,” cited.

62. For the views of the British Labor party, see Laski, *Where Do We Go from Here?* cited; “The War and After: Labour’s Home Policy” (The Labour Party, London, Transport House, May 1940); and speeches of Ernest Bevin, notably his speech of November 20, 1940, before the Rotary Club of London, *New York Herald Tribune*, November 21, 1940. In this speech Mr. Bevin said that unemployment was the “devil which has driven the masses in large areas of the world to turn to dictators,” and that while all profits or surpluses need not be wiped out, the whole of British economy—“finance, organization, science and everything”—should be directed together for social security, for the benefit “of the community as a whole.”

66. J. B. Meade, *The Economic Basis of a Durable Peace* (London, Allen and Unwin, 1940); Eugene Staley, *World Economy in Transition* (New York, Harper, 1939). For general discussion of international economic reconstruction, see Condliffe, *Reconstruction of World Trade*, cited; Sir George Paish, *The Defeat of Chaos* (New York, Appleton, 1941); Lionel Robbins, *Economic Planning and International Order* (New York, Macmillan, 1937); Eugene Staley, *Raw Materials in Peace and War* (New York, Harper, 1937); Henry J. Tasca, *World Trading Systems* (New York, Columbia University Press, 1939); Herbert Feis, *The Changing Pattern of International Economic Affairs* (New York, Harper, 1940).

mum standards of nutrition, wages, housing, educational and recreational opportunities. Such a system also presupposes the existence of an international political organization, whatever might be its form or name, within whose framework an international economic organization could function. What is even more important, it presupposes that national units will voluntarily surrender a measure of political sovereignty, and accept an undreamed of measure of control and regulation.

In proposals for international economic planning, as in proposals for national economic planning, the dilemma is how to combine what are regarded as necessary regulations of economic chaos with democratic procedures; how to work out a synthesis between relatively free international trade, which many economists regard as irrecoverable, and national autarchy, which both Nazi and non-Nazi economists regard as impracticable and injurious for peacetime purposes. Unless such a synthesis can be achieved, it is feared in some quarters that planning would merely result in piling the Ossa of international despotism on the Pelion of national dictatorship. As in the political field, the choice is not between Hitler's totalitarian "new order," and return to the kind of economic and financial anarchy that existed on the eve of the second world war. The choice is between continental empires, each administered by totalitarian methods for the benefit of a self-appointed "master-race," or some attempt to develop an international economic system, which might be administered through voluntarily accepted controls not for the benefit of this or that people, but of international society as a whole.

A NEW IMPERIALISM

Discussions of the post-war economic order inevitably raise the question whether the present struggle is merely a struggle between two forms of imperialism and, if that is true, whether there is anything to choose between Nazi and Anglo-American imperialism. No one familiar with history can deny that the British and Americans—like the Dutch, Spanish, French, Scandinavians, Germans, Italians, Russians and Japanese—have at various times in their development expanded beyond national boundaries, and carried their flag, their trade, their capital or labor, their armies or their missionaries, as the case may be, to other lands. No people has a monopoly of imperialism, if by imperialism is meant the complex set of relationships existing at a given time between an economically advanced and an economically backward people. Imperialism can take many forms—military, financial, economic, ideological—or any

combination of these forms. The seafaring peoples of Britain, Europe and the United States have, for the most part, developed "imperialistic" relations with overseas lands. Germany and Russia, landlocked on continents during most of their history, have established relations of "imperialism" with the continental peoples of Europe and Asia. In practically every case imperialism, by whomsoever practiced, has resulted from time to time in excesses and abuses which have aroused the resentment of so-called backward peoples. These peoples, in turn—be it in Eastern Europe, the Balkans, the Near East, India, or Latin America—have sought to end the political domination and economic exploitation of so-called advanced peoples, and have meanwhile played the great powers one against the other in the hope of obtaining concessions and advantages from all.

British and American imperialism, like that of other countries, has produced many ugly results. But this is not to say that Nazi imperialism, based on theories of the "master race" and racial discrimination applied to some of the most culturally advanced of the European peoples, may not be more reprehensible than that of Britain and the United States, which in theory at least recognizes the equality of races and the rights of racial and religious minorities—even if often in the past British and American practice has fallen far short of theory. Nor is it possible to assert that, because imperialism is fraught with evils, it can therefore be dismissed with a wave of the hand or the drafting of an appropriate document. The relationship known as imperialism will exist, in one form or another, as long as some peoples are economically advanced and others are economically backward.

The task is not to condemn all imperialism, but to make it possible, by practical measures, for backward countries to develop as rapidly as possible, so that they can achieve economic stability and political autonomy. Nazi imperialism, which threatens to deprive weak countries, and even relatively strong ones, of industrial power tantamount today to military power, is not necessarily the only alternative to British and American imperialism. Another alternative which so far has been barely adumbrated would be a vigorous attempt at "cooperation for mutual well-being"⁶⁷ between backward and advanced countries—cooperation whose keynote would be not promotion of the interests of this or that nation, or of economic groups within nations, but concern for the welfare of the backward peoples. Such a program of cooperation would have to go far beyond haphazard invest-

67. Lewis Corey, "The Choice for the Americas," *The Nation*, January 4, 1941, p. 8.

ments of capital in backward areas, which are merely regarded by peoples of these areas as a form of financial enslavement, and accepted as a bribe, but not as a real contribution to their well-being or advancement. It would have to utilize the political experience acquired in the administration of League mandates over former German and Turkish territories, some of which offer valuable lessons for the future.⁶⁸ It would have to provide assistance by advanced countries for the industrialization of backward areas, which in the past have been encouraged to remain backward on the theory that they would thus offer a better market for the manufactured goods of industrial powers.⁶⁹ It would have to include efforts to raise the standard of living of backward peoples by aiding in improving their nutrition, health, housing, cultural opportunities and educational facilities. It would require that the International Authority of the future should take over administration of colonies and other backward areas and entrust it, as a "trust for civilization," to an international organization representing the interests not only of colonial powers, but also of advanced peoples who do not possess colonies and of the native peoples themselves.

Such a program of cooperation, if effective, might insure the eventual "withering away" of imperialism, as one backward region after another becomes advanced. It would offer opportunities for the investment, not merely of capital, but of all the talents, imagination, sense of social responsibility, and capacity for devotion that may be possessed by advanced peoples. It would be calculated to create in the backward areas, now highly vulnerable to Nazi propaganda against democratic countries which have too often acted undemocratically in international affairs, a political and economic climate favorable to the development of more or less democratic institutions.⁷⁰ A start in this direction, but only a start, has been made by the United States in Latin America, which may become a test case of this country's real peace aims, just as India has become for many people a test case of Britain's peace aims. In that sense, the

68. For summary of proposals made regarding post-war administration of colonies, see Percy E. Corbett, *Post-War Worlds* (to be published in the fall of 1941 by the International Secretariat of the Institute of Pacific Relations, 129 East 52nd Street, New York, 1940).

69. "Ground Plan for a Post-War World," *The New Republic*, February 10, 1941, p. 169.

practice of the "new imperialism" by the Western powers may have a decisive influence on the future peace.⁷¹

THE UNITED STATES IN A CHANGING WORLD

As the struggle between Britain and Germany reaches a climax in the Atlantic, the United States finds it increasingly difficult to remain aloof from the new world order that is in the making. Whatever may be the outcome of the war—whether a total German victory, a stalemate, or a defeat of Germany achieved with American aid—the world as the United States knew it in 1939 has vanished beyond recall. In the new world that is emerging, the United States has already abandoned all pretense of isolation within its own continental borders. Its choice lies between acceptance of Hitler's plans for a "new order," accompanied by efforts to build its own continental empire in the Western Hemisphere, or an attempt to forge a "newer order," with the world-wide aid of all forces opposed to Nazism.

If this "newer order" is to fire the imagination of war-weary peoples here and abroad, it cannot be limited to platitudes about international cooperation or restoration of the *status quo*. It will have to demonstrate, by concrete actions right in the midst of war, that the United States, Britain and the British Dominions are determined, in case of victory, to carry out many long-overdue social and economic reforms now promised by Hitler—and, unlike Hitler, to carry them out while preserving the two essentials of democracy: respect for the integrity of the individual, and government's responsibility to the people. Since Britain, whatever the outcome of the war, may prove too economically exhausted to take the leadership in peacetime reconstruction, the decision of the United States may determine the character of the new world order.

70. A. A. Berle, "Peace without Empire," *Survey Graphic*, March 1941, p. 103; Corey, "The Choice for the Americas," cited; Leonard Woolf, "The Future of Imperialism," *New Statesman and Nation*, January 25, 1941, p. 76. For new international procedures as they might be applied in the Far East, see William W. Lockwood, "Ingredients of a Far Eastern Peace," *Amerasia*, January 1940, p. 487; T. A. Bisson, "Showdown in the Orient," *World Affairs Pamphlets* (New York: Foreign Policy Association, April 1940), p. 47; Philip J. Jaffe, "Discussion of a Plan for an American Loan to Industrialize China," *Amerasia*, September 1938, p. 327; "The China Trade," *Fortune*, May 1941, p. 69.

71. Woolf, "The Future of Imperialism," cited.

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OIL AND WAR

by Louis E. Frechiling